

**COMMONWEALTH OF MASSACHUSETTS**  
**MASSACHUSETTS**  
**DEPARTMENT OF TELECOMMUNICATIONS & ENERGY**

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Petition of Bay State Gas Company

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D.T.E. 05-27

**THIRD SET OF INFORMATION REQUESTS OF THE  
MASSACHUSETTS OILHEAT COUNCIL, INC.**

- MOC-3-1: For each heating season commencing with 2002-2003 through 2004 - 2005, please provide the following:
- (a) the number of times the Company has interrupted its gas interruptible customers (if applicable, separately state temperature controlled customers);
  - (b) the dates and duration of each interruption;
  - (c) the type of backup fuel used by each customer;
  - (d) the reason for such interruption; and
  - (e) the amount of natural gas that would have been consumed by each customer had they not been interrupted.
- MOC-3-2: For each heating season commencing with 2002-2003 through 2004 - 2005, please provide the following:
- (a) the number of customers and number of times that the Company's interruptible customers chose to voluntarily interrupt service themselves and go to their backup fuel;
  - (b) the dates and duration of each interruption;
  - (c) the reason for such customer's voluntary interruption if known; and

(d) the type of backup fuel used by each customer.

MOC-3-3: Please identify and describe the Company's procedure of interrupting its interruptible customers. Please provide all relevant documentation.

MOC-3-4: Please identify and describe the Company's policy, rules and/or procedure requiring its gas interruptible customers to have and maintain adequate backup fuel during periods of interruption. If such policy, rule or procedure is in writing, please provide such documentation, including any relevant tariff revisions.

MOC-3-5: Please identify and describe the manner and procedure by which the Company enforces its requirements and policies for:

(a) the failure of a gas customer to interrupt when so demanded by the Company; and

(b) the failure of the gas interruptible customer to comply with and maintain adequate backup fuel for interruption.

MOC-3-6: Provide any study, research, reports, or other documents prepared by or for the Company concerning forecasts of growth, in terms of the number of customers and quantity of gas needed, for future gas interruptible customers.

MOC-3-7: Please provide a list of the AFUE ratings, or other efficiency ratings, of all appliances and/or equipment (i.e. furnaces, boilers, etc.) that the Company offers for sale to existing and new customers. Please indicate whether the terms of sale are different for existing or new customers and whether such equipment is offered to existing or new customers at cost, market value, free of charge, with a rebate, or with any other discount.

MOC-3-8: Please state whether the Company provides any type of guarantee to conversion customers from an alternate fuel to natural gas. If so, please provide the following further information:

(a) any statement, or document that details the Company's guarantee;

(b) whether such guarantee applies to the Company's representations on price; and

(c) for each year commencing from 2002 to 2005 (to date), the number of customers that have exercised their rights under the Company's guarantee, the nature of the claim and the Company's response thereto.

MOC-3-9: At pages 71 and 72 of his testimony, Mr. Skirtich references exhibit BSG/JES-5 which includes copies of advertising materials that Bay State has used during the test year. The copies are preceded by a summary sheet separately listing and describing the advertising material and the various cost components and total cost for each item. With regard to this exhibit, please provide the following information:

- (a) It appears that the summary page does not match the attached advertisements. Beginning at line 5, the summary page references "radio spots" while the "line 5" exhibit reflects an additional piece of direct mail. The line descriptions that follow do not appear to match the accompanying exhibits (lines 5-11). If this is a misinterpretation of the exhibit, please explain. If there is an error in the exhibit, please provide a corrected copy.
- (b) Line 10 of the summary page refers to "Co-op Advertising Rebate". Please identify and describe this particular item and the reason(s) that such rebate is paid to the Company.

MOC-3-10: A number of the written advertisements included in exhibit BSG/JES-5 display the logo, name, and/or website addresses for both Bay State Gas and Northern Utilities Natural Gas Companies. Mr. Skirtich indicates in his testimony that the Company is seeking recovery of all the costs included in Exhibit BSG/JES-5 (BSG/JES-1, p. 72). With regard to the written advertisements:

- (a) please verify that the advertising materials provided are utilized both by the Company and Northern Utilities Natural Gas;
- (b) for each particular written advertisement listed, please indicate how many were prepared and distributed for Bay State and how many were prepared and distributed for Northern Utilities Natural Gas; and
- (c) with regard to the costs totaling \$200,871 (BSG/JES-5, p. 1 of 24) has the Company excluded the costs associated with the advertisements provided to Northern Utilities Natural Gas? If so, please provide the amount attributable to Northern Utilities. If not, please indicate why the Company is seeking recovery for these expenses.

MOC-3-11: At page 5 of 24 of exhibit BSG/JES-5 (Witness Skirtich), there is a copy of a "Direct Mail - August mailing" piece. This particular ad which promotes the Company's Guardian Care Protection Program appears to be an ad exclusively for Northern Utilities Natural Gas. With regard to this advertisement, please provide the following information:

- (a) please indicate whether the Company seeks to recover costs pertaining to this ad for Northern Utilities Natural Gas. If not, please indicate whether this ad was inadvertently included instead of the Bay State Gas version.
- (b) apart from radio spots and telephone "on hold" messages, every other advertisement includes both Bay State and Northern Utilities logo and web addresses. Please indicate why the first two direct mail pieces (lines 1 and 2) were prepared separately for each Company.

MOC-3-12: At page 9 of his testimony, Mr. Skirtich states that the appliance sales and installation activity of the Company's EP&S group is recorded below the line and is not considered for purposes of determining Bay State's revenue requirement. With regard to that statement, provide the following information:

- (a) please describe and quantify in detail the expenses that are associated with the below-the-line costs of EP&S associated with appliance sales and installation activities;
- (b) please identify, describe and explain the reason for the Company's choice of above-the-line and below-the-line expenses for the EP&S group. Please provide any relevant documentation; and
- (c) please identify and describe the manner by which the Company's EP&S group distinguishes between expenses that are considered above-the-line and recoverable versus below-the-line and not recoverable. Please provide any policy statements, guidelines, or other documentation in this regard.

Dated: June 16, 2005